

When recorded mail to:
Vedder, Price, Kaufman & Kammerholz
222 N. La Salle Street
Chicago, Illinois 60601-1003
Attn: James V. Inendino

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Doc. No. 1.10

WAIVER AND CONSENT

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Reference is hereby made to that certain Amended and Restated Equipment Lease (1992 MD FFS/FTD) dated as of March 5, 1992 (the "Lease") between THE CIT GROUP/EQUIPMENT FINANCING, INC., as Lessor, and McDONNELL DOUGLAS CORPORATION, as Lessee, covering certain equipment more fully described on Exhibit A attached hereto (said equipment together with all other equipment from time to time leased under the Lease being herein called the "Equipment"), some or all of which Equipment may be located upon that certain real property located at 4900 Conant Street, Long Beach, California, 90808, in Los Angeles County, a legal description of which is attached hereto as Exhibit B (the "Property"). In consideration of One Dollar (\$1.00) and other good and valuable consideration, the adequacy and receipt of which is hereby acknowledged, the undersigned, Lessee, hereby agrees as follows:

1. Lessee is the lawful owner of and holds good and marketable title in fee simple to the Property, free and clear of all material liens and rights of others.
2. The Equipment shall at all times be and remain personal property and not an accession or addition to or fixture on the Property, regardless of the fact that it may be installed thereon or in any manner attached thereto, and Lessee shall acquire no title to or interest in the Equipment by virtue of any installation or attachment and disclaims any interest in the Equipment except for its leasehold interest created pursuant to the Lease.
3. Lessor shall have the right at any time, and from time to time, subject to the provisions of the Lease, to enter upon the Property, or any portion thereof, and to inspect and/or remove therefrom all or any part of the Equipment.
4. This Waiver and Consent shall be binding on the Lessee, its successors and assigns, and shall inure to the benefit of Lessor and its successors and assigns.
5. This Waiver and Consent shall be construed in accordance with and governed by the laws of the State of California (without regard to the conflict of laws provisions of such state).

RECORDED IN OFFICIAL RECORDS
OF LOS ANGELES COUNTY, CA

MAR 5 1992 AT 8 A.M.

Recorder's Office

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IN WITNESS WHEREOF, Lessee has duly executed this
Waiver and Consent on behalf of the Lessee this 3rd day of
March, 1992.

MCDONNELL DOUGLAS CORPORATION

By: Ronald L. O'Kelley
Its: Vice President

Ronald L. O'Kelley
Printed Name of Signing Officer

State of California)
)
County of Los Angeles)

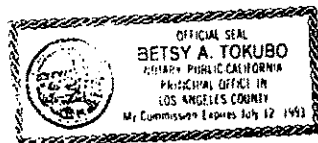
On this 3rd day of March, in the year 1992, before
me, Betsy A. Tokubo, a Notary Public of said State duly
commissioned and sworn, personally appeared Ronald L. O'Kelley
proved to me on the basis of satisfactory evidence, to be the
person whose name is subscribed to the within instruments and
acknowledged that he executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed
my official seal the day and year in this certificate first above
written.

[SEAL]

Betsy A. Tokubo
[Signature and Title]

My Commission Expires:



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EXHIBIT A

DESCRIPTION OF PROPERTY

CAE Full Flight Simulator, Level C	Part Number 2HG8504899
CAE Flight Training Device, Level 5	Part Number 2HH2504899
CAE Flight Training Device, Level 5	Part Number 2HH3504899
CAE Flight Training Device, Level 5	Part Number 2HH4504899
MDESC VITAL VII Visual System	Part Number H03G0073-005
Spares, Tools and Test Equipment	

1. Avionics - This group consists of spare parts for actual aircraft equipment used in the flight simulator and flight training devices and includes, among other items, the following:

Flight Management Computers	4 each
Flight Control Computer	4 each
Display Electronics Unit	3 each
Glareshield Control Panel	2 each
Centralized Fault Detection Interface Unit	1 each
Multifunction Control/Display Unit	4 each
Display Unit	3 each
Fuel System Control Panel	1 each
Air System Control Panel	1 each
Caution and Warning System	2 each
Control Wheel Sensor	2 each

2. CAE Proprietary - This group consists of items unique to the simulation devices manufactured by CAE.
3. Piece Parts - This group consists of assemblies and components used in the Equipment that is available on the commercial market.
4. Visual spares - This group consists of items unique to VITAL VII.

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5. Tool/Test Equipment - Hand tools and electronic test equipment necessary to perform preventative and corrective maintenance.
 6. Projector Spares - This group consists of items unique to the projection system used as part of VITAL VII.
 7. Computer Spares - This group consists of items unique to the Gould Host Computer used to control the Equipment. It includes one complete operating computer used for software modification, or as necessary, as spare parts for the simulation computer.

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EXHIBIT B

THOSE PORTIONS OF LOTS 49, 51 AND 52 OF TRACT NO. 8084, IN THE CITY OF LONG BEACH, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 171 PAGES 24 TO 30 INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, TOGETHER WITH THOSE PORTIONS OF LAKEWOOD BOULEVARD, (FORMERLY KNOWN AS CERRITOS AVENUE 80 FEET WIDE) AS SHOWN ON SAID TRACT NO. 8084 NOW VACATED AND ABANDONED BY THE STATE OF CALIFORNIA HIGHWAY COMMISSION. A CERTIFIED COPY OF WHICH WAS RECORDED MAY 19, 1959, AS INSTRUMENT NO. 3601 OF OFFICIAL RECORDS OF SAID COUNTY, DESCRIBED AS A WHOLE AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE WESTERLY LINE OF LAKEWOOD BOULEVARD (100 FEET WIDE) AS DESCRIBED IN THE DEED TO THE COUNTY OF LOS ANGELES RECORDED JANUARY 5, 1932, AS INSTRUMENT NO. 1150 IN BOOK 11271 PAGE 368 OF OFFICIAL RECORDS OF SAID COUNTY WITH THE NORTHERLY LINE OF SAID LOT 51; THENCE ALONG SAID LAKEWOOD BOULEVARD (100 FEET WIDE), SOUTH 0 DEGREES 06 MINUTES 03 SECONDS WEST 133.81 FEET TO A POINT IN A NON-TANGENT CURVE CONCAVE EASTERLY 2077 FEET, A TANGENT WHICH BEARS SOUTH 9 DEGREES 09 MINUTES 01 SECONDS EAST FROM SAID POINT AND SO RECITED IN SAID VACATION AND ABANDONMENT; THENCE SOUTHERLY ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 10 DEGREES IS 15 MINUTES 46 SECONDS AN ARC DISTANCE OF 372.03 FEET; THENCE SOUTH 25 DEGREES 16 MINUTES 10 SECONDS EAST 18.01 FEET TO THE NORTHWESTERLY TERMINUS OF THAT CERTAIN COURSE IN THE WESTERLY BOUNDARY OF THE LAND DESCRIBED IN THE DEED TO THE STATE OF CALIFORNIA RECORDED NOVEMBER 2, 1959, AS INSTRUMENT NO. 3959, IN BOOK D-652 PAGE 15 OF OFFICIAL RECORDS OF SAID COUNTY AS RECITED AS HAVING A BEARING AND LENGTH OF "SOUTH 25 DEGREES 16 MINUTES 02 SECONDS EAST 106.64 FEET"; THENCE SOUTH 25 DEGREES, 16 MINUTES 02 SECONDS EAST TO A LINE THAT IS PARALLEL WITH AND DISTANT 583.00 FEET SOUTHERLY FROM THE NORTHERLY LINES OF SAID LOTS 49, 51 AND 52; THENCE ALONG SAID PARALLEL LINE NORTH 89 DEGREES 53 MINUTES 56 SECONDS WEST 3800.79 FEET; THENCE NORTH 0 DEGREES 08 MINUTES 55 SECONDS WEST 533.01 FEET; THENCE NORTH 45 DEGREES 01 MINUTES 25 SECONDS WEST 70.86 FEET TO A POINT IN THE NORTHERLY LINE OF SAID LOT 49, SAID POINT BEING DISTANT NORTH 89 DEGREES 53 MINUTES 56 SECONDS WEST 3718.10 FEET; ALONG THE NORTHERLY LINES OF SAID LOTS 49 AND 51, FROM THE POINT OF BEGINNING, THENCE ALONG THE NORTHERLY LINES OF SAID LOTS 49 AND 51, SOUTH 89 DEGREES 53 MINUTES 56 SECONDS EAST 3718.10 FEET TO THE POINT OF BEGINNING;

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EXCEPT FROM THAT PORTION THEREOF LYING WITHIN THE LINES OF SAID LOT 52, ALL OIL, GAS AND OTHER HYDROCARBON SUBSTANCES IN AND UNDER OR THAT MAY BE PRODUCED FROM A DEPTH OF 500 FEET BELOW THE SURFACE OF SAID LAND, WITHOUT RIGHT OF ENTRY UPON THE SURFACE OF SAID LAND, FOR THE PURPOSE, OF MINING, DRILLING, EXPLORING OR EXTRACTING SUCH OIL, GAS, AND OTHER HYDROCARBON SUBSTANCES OR OTHER USE OR RIGHTS IN OR TO ANY PORTION OF THE SURFACE OF SAID LAND TO A DEPT OF 500 FEET BELOW THE SURFACE THEREOF, BUT WITH THE RIGHT TO DRILL INTO, LOCATED WELLS AND PRODUCE OIL, GAS AND OTHER HYDROCARBON SUBSTANCES FROM ANY PORTION OF SAID LAND WHICH LIES BELOW 500 FEET FROM THE SURFACE THEREOF, AS RESERVED IN THE DEED FROM MONTANA LAND COMPANY, RECORDED IN BOOK 32094, PAGE 1, OFFICIAL RECORDS, AND AS PROVIDED IN DECREE RECORDED IN BOOK 43923, PAGE 236, OFFICIAL RECORDS.

THAT PORTION OF LOT 52 OF TRACT NO. 8084, IN THE CITY OF LONG BEACH, COUNTY OF LOS ANGELES, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 171 PAGES 24 TO 30 INCLUSIVE OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE SOUTHERLY LINE OF CONANT STREET, 80 FEET WIDE, AS DESCRIBED IN THE DEEDS TO COUNTY OF LOS ANGELES, RECORDED SEPTEMBER 21, 1942, AS INSTRUMENT NO. 523 AND RECORDED APRIL 21, 1941, AS INSTRUMENT NO. 1071 IN BOOK 18324 PAGE 299 BOTH OF OFFICIAL RECORDS OF SAID COUNTY WITH A LINE THAT IS PARALLEL WITH AND DISTANT 300 FEET WESTERLY FROM THE EASTERLY LINE OF SAID LOT 52; THENCE ALONG SAID CONANT STREET (80 FEET WIDE) NORTH 89 DEGREES 53 MINUTES 48 SECONDS WEST 2224.60 FEET TO THE NORTHEAST CORNER OF THE LAND DESCRIBED IN THE DEED TO THE STATE OF CALIFORNIA, RECORDED NOVEMBER 2, 1959 AS INSTRUMENT NO. 3959 IN BOOK D-652 PAGE 15 OF OFFICIAL RECORDS OF SAID COUNTY; THENCE ALONG THE EASTERLY BOUNDARY OF SAID DEED TO THE STATE OF CALIFORNIA AS FOLLOWS:

SOUTH 33 DEGREES 21 MINUTES 43 SECONDS WEST 50.42 FEET AND SOUTHEASTERLY ALONG A NON-TANGENT CURVE CONCAVE NORTHEASTERLY AND HAVING A RADIUS OF 1932 FEET THROUGH CENTRAL ANGEL OF 16 DEGREES 53 MINUTES 01 SECONDS AN ARC DISTANCE OF 569.31 FEET TO A LINE THAT IS PARALLEL WITH AND DISTANT 585 FEET SOUTHERLY FROM THE SOUTHERLY LINE OF SAID HEREINABOVE MENTIONED CONANT STREET; THENCE ALONG SAID PARALLEL LINE SOUTH 89 DEGREES 53 MINUTES 48 SECONDS EAST 2087 FEET TO A LINE THAT IS PARALLEL WITH AND DISTANT 300 FEET WESTERLY FROM THE EASTERLY LINE OF SAID LOT 52; THENCE

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NORTHERLY ALONG SAID MENTIONED PARALLEL LINE TO THE POINT OF BEGINNING.

EXCEPT THEREFROM ALL OIL, GAS AND OTHER HYDROCARBON SUBSTANCES IN AND UNDER OR THAT MAY BE PRODUCED FROM A DEPTH OF 500 FEET BELOW THE SURFACE OF SAID LAND, WITHOUT RIGHT OF ENTRY UPON THE SURFACE OF SAID LAND, FOR THE PURPOSE OF MINING, DRILLING, EXPLORING OR EXTRACTING SUCH OIL, GAS, AND OTHER HYDROCARBON SUBSTANCES OR OTHER USE OR RIGHTS IN OR TO ANY PORTION OF THE SURFACE OF SAID LAND TO A DEPT OF 500 FEET BELOW THE SURFACE THEREOF, BUT WITH THE RIGHT TO DRILL INTO, LOCATED WELLS AND PRODUCE OIL, GAS AND OTHER HYDROCARBON SUBSTANCES FROM ANY PORTION OF SAID LAND WHICH LIES BELOW 500 FEET FROM THE SURFACE THEREOF, AS RESERVED IN THE DEED FROM MONTANA LAND COMPANY, RECORDED IN BOOK 32094 PAGE 1, OFFICIAL RECORDS, AND AS PROVIDED IN DECREE RECORDED IN BOOK 43923, PAGE 236, OFFICIAL RECORDS.

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